

**STATE OF WASHINGTON**
**OFFICE OF  
INSURANCE COMMISSIONER**
**BEFORE THE INSURANCE COMMISSIONER  
OF THE STATE OF WASHINGTON**

In the matter of	)	
	)	No. D 2001- 84
<b>Lafayette College</b>	)	
Easton, Pennsylvania	)	STIPULATIONS, FINDINGS,
	)	
	)	CONSENT AND ORDER
	)	

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Lafayette College is a charitable organization and has been issuing charitable gift annuities in the State of Washington, and is therefore governed by Title 48 RCW.

This administrative action is based on allegations by the Commissioner's staff that Lafayette College violated RCW 48.05.030 and Chapter 48.38 RCW, by the activity described in the following numbered paragraphs. To resolve only the issues identified in the following numbered paragraphs, to eliminate the necessity for a hearing, and as a negotiated settlement of the Commissioner's allegations Lafayette College has voluntarily executed the Consent to Order contained herein and stipulates to the entry of the Order contained herein.

**STIPULATIONS**

1. RCW 48.05.030 provides that no person shall act as an insurer nor transact insurance in this state other than as authorized by a certificate of authority issued to it by the Commissioner.
2. RCW 48.11.020 defines life insurance as including the granting of annuities.
3. Chapter 48.38 RCW provides that certain charitable organizations upon complying with the provisions of the Chapter may, after receiving a certificate of exemption from the Commissioner, conduct a charitable gift annuity business and be exempted from most of the provisions of Title 48 RCW.

4. Beginning in 1986 Lafayette College has issued 10 annuities without having been properly licensed to do so.

### FINDINGS

1. The Commissioner finds that Lafayette College, by and through the conduct described above, has violated RCW 48.05.030 and Chapter 48.38 RCW.
2. The Commissioner further finds that RCW 48.38.050 authorizes the Commissioner to refuse to issue a Certificate of Exemption to Lafayette College, for failing to comply with the provisions of Chapter 48.38 RCW.
3. The Commissioner further finds that RCW 48.38.050 authorizes, that in lieu of the refusal to issue a Certificate of Exemption, the Commissioner may assess a fine of not more than \$10,000.

### CONSENT TO ORDER

Based on the above and foregoing stipulations, Lafayette College consents to pay the sum of \$375 being the \$25 annual fee for the 15 years it would have had to pay the fee if it had been properly licensed, the sum of \$50 being the \$5 fee for each annuity that it issued if it had been properly licensed, and a fine in the amount One Hundred Dollars and 00/100 (\$100), for a total amount of \$525.

Based on the above and foregoing stipulations, Lafayette College voluntarily consents to the following order to resolve the issues and alleged conduct described herein and with the understanding that the payment of the amount levied against Lafayette College is a condition of the issuance of a Certificate of Exemption to Lafayette College for the conduct described herein.

Based on the above and foregoing stipulations, Lafayette College acknowledges its duty and obligation to fully comply with the applicable laws and regulations of the State of Washington.

Signed this 20<sup>th</sup> day of August, 2001.

**Lafayette College**

by: \_\_\_\_\_  
Title: \_\_\_\_\_

### ORDER

IT IS ORDERED that pursuant to RCW 48.38.050 and the foregoing Stipulations, Findings, and Consent to Order, Lafayette College pay a total sum in the amount of Five Hundred Twenty Five Dollars and 00/100 (\$525) for the activity described in the foregoing Stipulation.

IT IS FURTHER ORDERED that in the event that this sum is not paid within 30 days from the date of this order, the sum will be recoverable in a civil action brought on behalf of the Insurance Commissioner by the Attorney General, pursuant to RCW 48.05.185.

SIGNED AND ENTERED THIS 31st day of August, 2001.

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James T. Odiome  
Deputy Insurance Commissioner